

FILE APPEARED
ON PAGE 213.

WASHINGTON POST
30 April 1986

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Restoring the Arms Pipeline to Iran

Israel has denied any involvement with the alleged members of an illicit arms ring arrested last week in the attempted sale of \$2 billion worth of arms to Iran, although a retired Israeli general was among those indicted.

But suspicion of Israel comes easily. For years the Israelis have been selling arms secretly to Iran, generally with the tacit approval of the CIA.

The timing of the indictments was significant, coming just as the Reagan administration has begun a secret "tilt" toward Iran after six years of mutual hostility. Proponents of a U.S.-Iranian detente wanted the United States to supply arms to Iran directly, if covertly, and take credit for the friendly overture. The main arguments for a rapprochement, as we reported earlier, were to assure a U.S. presence in post-Khomeini Iran and to save the billions of dollars now being spent to protect Americans from Iranian-inspired terrorism.

Last year, according to high-level sources, the National Security Council asked the Israeli Defense Ministry and Mossad, their secret service, to cut off the flow of U.S.-made weapons to Iran. Israel reluctantly slowed the lucrative arms trade.

When the United States and Iran broke relations following the seizure of American hostages at the U.S. Embassy in Tehran in 1979, the Iranian military was faced with the problem of finding replacement parts for U.S. weapons supplied to the shah. The Iranians began shopping elsewhere—and Israel soon became their most reliable supplier.

Politically, Israel knew it had nothing to lose by

helping Iran in the war against Iraq, an Arab nation that would never be a friend of Israel. Other reasons for dealing with Ayatollah Ruhollah Khomeini were to make money, to get Iranian oil, to protect the 50,000 Jews living in Iran and to establish some links with Iranian military officers that might be useful in a post-Khomeini era.

Through it all, the Israeli government has publicly denied making arms deals with Khomeini—and has kept the CIA informed of the deals. For example, the Mossad told the CIA that Israel's first sale to Iran at the inception of the Khomeini regime was \$300,000 worth of spare tires for American-made F4 fighters.

Israel kept the transactions modest during the nearly 15 months the American hostages were being held. Then it went big time. In 1981, the sales amounted to at least \$50 million, and our intelligence sources estimate that Israel has provided more than \$250 million in arms and ammunition to Iran in the last five years.

Now the Reagan administration is considering restoring its arms pipeline to Iran. As one White House official delicately put it, the administration's mood is to "regularize" the arms flow, instead of going through Israel.

For their part, the Iranians are likely to welcome a covert arms program from the United States directly, to avoid paying markups of as much as 2,000 percent for U.S.-made spare parts.

One reason for the U.S. shift away from Iraq is that, like Israel, the United States hopes to solidify relations with "reasonable" leaders in Tehran.